

DEPARTMENT OF SOCIAL SERVICES

744 P Street, Sacramento, CA 95814



August 30, 1995

ALL COUNTY INFORMATION NOTICE I-42-95

TO: ALL COUNTY WELFARE DIRECTORS

Reason for this Transmittal
<input type="checkbox"/> State Law Change
<input checked="" type="checkbox"/> Federal Law Change
<input type="checkbox"/> Court Order or Settlement Agreement
<input type="checkbox"/> Clarification Requested by One or More Counties
<input checked="" type="checkbox"/> Initiated by CDSS

SUBJECT: HOUSING EXPENSES PAID BY GENERAL ASSISTANCE/GENERAL RELIEF (GA/GR) VENDOR(S)

REFERENCE: Manual Section (M.S.) 63-502.141(a); 63-502.2(b)(2)

This letter informs County Welfare Departments (CWDs) about a regulatory amendment that will become effective on October 1, 1995. This amendment is necessary to comply with the federal mandate contained in Public Law 103-66, Section 13915, which revises the provision on GA/GR vendor payments. Federal Regulations concerning GA/GR vendor payments previously stated that vendor payments provided for "living expenses" were considered to be income. The new mandate has limited which vendor payments can be considered income by striking the phrase "living expenses" and substituting "housing expenses". This change will allow only those GA/GR vendor payments covering "housing expenses", exclusive of energy or utility expenses, to be considered income.

M.S. 63-502.141(a) will be amended to reflect this change and to specify that GA/GR vendor housing payment(s) are to be considered unearned income unless excluded by M.S. 63-502.2(b)(2). Enclosed is the proposed regulation change.

Upon the effective date of the provision, continuing cases and any household (HH) entitled to restored benefits shall have their benefits restored when the case is next reviewed, when the CWD becomes aware that a review is needed, upon request by the HH, or at recertification, whichever occurs first. These benefits shall be restored back to date of application or September 1, 1994, whichever occurred last.

If you have any questions, please call Ernie Villalobos of the Food Stamp Program Bureau at (916) 657-1680.

Sincerely,

Bruce Wagstaff

BRUCE WAGSTAFF
Acting Deputy Director
Welfare Programs Division

Enclosure

Amend Sections 63-502.141(a) and 63-502.353(a)(5), and adopts Sections 63-502.2(b)(2)(F) and 63-502.37 et seq. to read:

63-502 INCOME, EXCLUSIONS AND DEDUCTIONS (Continued)

.1 Income Definition

.14 Unearned income shall include, but not be limited to:

.141 Assistance payments from Aid to Families with Dependent Children (AFDC), General Assistance/General Relief (GA/GA), Refugee Cash Assistance (RCA), Entrant Cash Assistance (ECA), or other assistance programs based on need except as specified in Section 63-501.111.

(a) Such assistance is considered to be unearned income even if provided in the form of a vendor payment (provided to a third party on behalf of the household), unless the vendor payment is specifically exempt from consideration as countable income as specified in Section 63-502.2. GA/GR vendor payments for housing are counted as income unless specifically exempt from consideration as unearned income as specified in Section 63-502.2 All other GA/GR vendor payments are excluded from consideration as income.

(b) (Continued)

.2 Income Exclusions. Only the following items shall be excluded from household income:

(b) Vendor payments. Money that is not legally obligated to be paid to the household, but which is paid to a third party for a household expense by a person or organization outside of the household.

(1) (Continued)

(2) An AFDC, GA/GR, RCA or ECA payment shall be considered an excludable vendor payment and not counted as income to the household if that payment is for:

(A) through (E) (Continued)

(F) Emergency or special assistance (as specified in Section 63-502.2(b)(3)). (Continued)

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